

**Amendments to the Claims:**

This listing of claims will replace all prior versions, and listings, of claims in the application:

**Listing of Claims:**

Claims 1-15 (canceled)

Claim 16 (new): In combination an assembling machine and a packaging machine, said assembling machine being adapted to produce a package assembly including a flexible strip to which there is attached a plurality of closed bags, the bags being produced by said packaging machine so as to have end seal areas, with the bags being delivered to the assembling machine in an attached configuration connected at the end seal areas, said assembling machine including:

a jaw assembly including a pair of movable opposing jaws that are caused to move to engage the strip and bags located therebetween to secure the bags to the strip at a one of the end seal areas:

a strip delivery mechanism to deliver the strip to the jaws;

a drive assembly to cause movement of the jaws; and

wherein said jaw assembly includes a blade adapted to cut the bags and separate the bags into sets of a plurality of bags and attaching each set to the strip by a respective one of the end seal areas with said blade being movable relative to the jaws to cut a desired number of bags for each set that is to be attached to the strip.

Claim 17 (new): The combination of claim 16 wherein, said blade is movably mounted in one of the jaws to sever the set from further bags being delivered to the machine, said blade being movable between an extended position to engage the bags, and a retracted position at which the bags are not severed.

Claim 18 (new): The combination of claim 16 further including an actuation assembly for moving the blade relative to the jaws.

Claim 19 (new): The combination of claim 18 further including an actuator including a rotatably driven crank mechanism for linearly reciprocating the jaws.

Claim 20 (new): The combination of claim 16 wherein, the delivery mechanism includes a slot in one of the jaws through which the strip passes.

Claim 21 (new): The combination of claim 16, wherein said sealing jaws include a member to perforate the end seal areas between adjacent bags so that individual bags may be separated from their respective sets.

Claim 22 (new): The combination of claim 17 further including an actuator for moving the blade relative to the jaws to thereby enable selection of the number of bags in each set of bags.

Claim 23 (new): The combination of claim 22 further wherein the actuator includes a rotatably driven crank mechanism for linearly reciprocating the jaws.

Claim 24 (new): The combination of claim 23 wherein, the delivery mechanism includes a slot in one of the jaws through which the strip passes.

Claim 25 (new): The combination of claim 24, wherein said sealing jaws include a member to perforate the end seal areas between adjacent bags so that individual bags may be separated from their respective sets.